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Bulletin LIRC 97-04

DATE: AUGUST 4, 1997

TO: ALL PROPERTY AND CASUALTY INSURANCE COMPANIES IN LOUISIANA

RE: Act 1476 - Omnibus Premium Reduction Act of 1997
Postponement of Rate Reduction Day

Act No. 1476 of the 1997 Regular Session of the Louisiana Legislature, the *Omnibus Premium Reduction Act of 1997* (hereinafter, "the Act") is part of a set of legislative reforms that will reduce motor vehicle insurance costs in Louisiana. The Louisiana Insurance Rating Commission (hereinafter "LIRC"), at its special meeting on July 24, 1997, informed insurers of the new requirements imposed by the Act and the filing procedures to be implemented by the LIRC. These procedures were detailed in Bulletin LIRC 97-03.

With this Bulletin we are notifying you that a suit for declaratory judgment to determine the constitutionality of the provisions of the Act was filed prior to August 1, 1997. **Therefore, in accordance with the Act, "rate reduction day" is temporarily postponed.** The official "rate reduction day" will now be the date on which a final and definitive judgment is rendered in the declaratory judgment proceeding.

Therefore, at this time, the requirements outlined in LIRC 97-03 are temporarily suspended. The Commissioner of Insurance will aggressively defend the Act and request a prompt and definitive resolution of this matter. Upon receipt of a final and definitive judgment, the LIRC will issue a Bulletin certifying the rate reduction day and providing the procedures necessary for compliance with the Act.

This Bulletin is issued under the authority of R.S.22:1402, 1404, 1407, and 1447. If you have questions regarding this Bulletin, you can reach the LIRC staff at (504) 342-5202.



Chris Faser, III
Deputy Commissioner/LIRC